

## Summary of Business Opportunity

This Summary of Business Opportunity ("Summary") provides a synopsis of the key elements of the National Park Service ("Service") Draft Concession Contract CC-DEWA001-15 ("Draft Contract"), which will contract for the provision of required and authorized sales and services at the Dingman's Campground at the Delaware National Water Gap Recreation Area. The Service has been given specific legislative authority under Public Law 105-391 to issue concession contracts, and the Draft Contract will be subject to that law. In the event of any inconsistency between the terms of the Draft Contract and this Summary, the Draft Contract will prevail.

### Delaware Water Gap National Recreation Area

The Delaware Water Gap National Recreation Area was established in 1965. The Area encompasses nearly 70,000 acres along the Middle Delaware National Scenic and Recreational River in Pennsylvania and New Jersey. The 40-mile river valley is about two hours from New York City and Philadelphia. At the southern end of the Park the river cuts an S-shaped pass through the mountains, forming the Gap.

The mission of the Park is to provide outdoor recreation opportunities while conserving the natural, cultural and scenic resources of the Park. In so doing, the Park works cooperatively with surrounding communities and the public to achieve the conservation goals of the Delaware River region.

### Existing Concession Operations

The current operation offers 133 Campsites with available camping styles from primitive to those equipped to handle large self-contained vehicles. The site features a new camp store and will have updated shower and bathroom facilities constructed by the NPS sometime in 2015 or 2016.

### Future Concession Operation

Under the Draft Contract, the commercial services currently operated will be endorsed under a single Concession Contract. A comparison of current services provided versus future services required and authorized is listed below.

**Exhibit 1. Required and Authorized Services at DEWA001**

	Current Contract	Draft Contract
<b>Camping Services</b>	Required	Required
<b>Retail- Camping Supplies and Equipment</b>	Required	Required
<b>Canoe and Kayak Rental</b>	Authorized	Required
<b>Firewood Sales</b>	Authorized	Required
<b>Group Camping at Valley View Site</b>	Not Authorized	Required
<b>Food and Beverage pre-packaged</b>	Authorized	Authorized

<b>Limited Souvenir and Gift Sales</b>	Authorized	Authorized
<b>Bicycle Rental</b>	Authorized	Authorized
<b>Cross-Country Ski Rental</b>	Authorized	Authorized
<b>Removable Camper Cabins</b>	Not Authorized	Authorized
<b>Special Events</b>	Not Authorized	Authorized
<b>Tent and Camping Equipment Rental and Set-up Service</b>	Not Authorized	Authorized
<b>ATM Machine</b>	Not Authorized	Authorized

*Source: National Park Service Current and Draft Contracts*

### Special Considerations and Additional Business Opportunities

The Service recognizes that changes in the list of required and authorized services provide a more substantial foundation that the successful offeror can use to expand the business' potential. Other opportunities and advantages that the Service sees in the years ahead that could influence revenues include:

- Special Park Events, which can help boost visitation at the Concession operation.
- New restroom-shower buildings that are to be constructed by the NPS.
- The application of Tent and Camping Equipment Rental and Set-up service to encourage new campers to try the facilities.
- The authorization of camper cabins that could provide an opportunity to extend the camping season significantly.
- Bicycle rentals and the authorization of pre-packaged foods for sale at the camp store that could provide additional opportunities.

### Historical Gross Receipts

The Existing Concessioner's total annual gross receipts and gross receipts for each department during the last four years of continuous, full-time operations are presented in the following exhibit.

#### Exhibit 2: Historical Annual Gross Receipts by Department

	2010	2011	2012	2013
Campground	\$91,932	\$193,616	\$192,864	\$176,305
General Merchandise	\$56,794	\$70,433	\$93,633	\$46,341
Canoe Rentals	\$61,648	\$57,406	\$75,113	\$46,592
Firewood Sales	\$14,992	\$17,109	\$0 <sup>1</sup>	\$18,170
Group Campground	\$4,430	\$3,270	\$3,240	\$1,390
<b>Total</b>	<b>\$229,796</b>	<b>\$341,834</b>	<b>\$364,850</b>	<b>\$288,798</b>

*Source: NPS financial reports*

*<sup>1</sup>Firewood Sales reported as part of General Merchandise*

### Minimum Franchise Fee

The minimum franchise fee for CC-DEWA001-15 is **Six percent (6.0%)** of annual Gross Receipts as defined in Section 10 of the Draft Contract.

### Term of Contract

The Draft Contract will be issued for a term of ten years, beginning January 1, 2015 and ending December 31, 2024. The effective dates of the Draft Contract are subject to change prior to award if determined necessary by the Service.

### Estimated Required Initial Investment

See the "Investment Analysis" section of the full Business Opportunity document for information regarding the use of this information.

#### Exhibit 3: Schedule of Estimated Initial Investments<sup>1</sup>

Investment	Total
Personal Property	\$275,000
Inventory	\$11,000
Supplies	\$350
Deferred Maintenance (Year 1 DM) <sup>2</sup>	\$2,799
<b>TOTAL</b>	<b>\$289,149</b>

<sup>1</sup> This estimated amount is not warranted by the Service and the Service is not bound by this estimated amount. All Offerors are responsible for performing their own due diligence and calculating their own estimated initial investment.

<sup>2</sup> Represents Year 1 (i.e., 2015) DM not covered by regular operating expenses. See Exhibit E, Attachment 1 for a detailed list of DM.

### Leasehold Surrender Interest

Being a Category 2 Contract, the Draft Contract does not contain any Leasehold Surrender Interest authority and the Concessioner will not obtain such a compensable interest as defined in 36 CFR Part 51.

### Preferred Offeror

The 1998 Concessions Act includes a limited right of preference in renewal for certain categories of qualified concession contracts. Pursuant to 36 C.F.R. Part 51, the Director has determined that there is no preferred Offeror for the Draft Contract and that this contract should be considered "fully competitive".